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OGC Has Reviewed

20 SEP 1955

FORWARDING MEMORANDUM

SUBJECT: Procurement of European Hydrofoil Boat

1. We have noted our concurrence on the memorandum from the Director of Logistics to the Deputy Director (Support) on the above subject. There is no legal objection to the general plan of procurement outlined, but we have several suggestions.

2. The letter of offer dated August 3, 1955, from the seller states in paragraph 1, that the boat is "intended to be used for sports fishing in U. S. Coastal waters". Such restrictive language would be undesirable in the contract of sale and should be negated in any letter of acceptance dispatched by the buyer.

3. A standard patent indemnity clause would protect the buyer against infringement suits by third parties.

4. Careful legal scrutiny should be made before any features of the boat are adapted or copied for use in other craft. Probably the maximum international patent protection has been obtained by the [REDACTED]

5. The warranty attached to the seller's offer will be of limited value if the boat is brought back to the United States, since it provides that inspection and repair will be at a point to be designated by the seller and the seller is not obligated to bear the expenses of transportation. Perhaps certain repair locations could be agreed upon and inserted in the contract.

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[REDACTED]
Assistant General Counsel

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